



7535-01-U

NATIONAL CREDIT UNION ADMINISTRATION

12 CFR Part 741

RIN 3133-AE77

Requirements for Insurance; National Credit Union Share Insurance Fund Equity Distributions; Correction

AGENCY: National Credit Union Administration (NCUA).

ACTION: Final rule; correcting amendment.

SUMMARY: On February 23, 2018, the NCUA Board (Board) published a final rule adopting amendments to its share insurance requirements rule to provide stakeholders with greater transparency regarding the calculation of each eligible financial institution's pro rata share of a declared equity distribution from the National Credit Union Share Insurance Fund (NCUSIF). A clerical error appeared that resulted in an incorrect amendatory instruction. This document corrects that error.

DATES: This correction is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Benjamin M. Litchfield, Staff Attorney, Office of General Counsel, the National Credit Union Administration, at 1775 Duke Street, Alexandria, Virginia 22314-3428, or by telephone at (703) 518-6540.

SUPPLEMENTARY INFORMATION: On February 23, 2018, at 83 FR 7954, the Board published a final rule adopting amendments to 12 CFR part 741. Amendatory instruction 2.a.iv. called for revising the definition of “equity ratio” in § 741.4. However, the final rule did not set out regulatory text for the revised definition of “equity ratio.” This was an inadvertent drafting error. This document corrects that error by amending the final rule to supply a revised definition for “equity ratio.”

List of Subjects in 12 CFR Part 741

Bank deposit insurance, Credit unions, Reporting and recordkeeping requirements.

By the National Credit Union Administration Board on April 2, 2018.

Gerard Poliquin
Secretary of the Board

For the reasons discussed above, the Board amends 12 CFR part 741 as follows:

PART 741—REQUIREMENTS FOR INSURANCE

1. The authority citation for part 741 continues to read as follows:

Authority: 12 U.S.C. 1757, 1766(a), 1781–1790, and 1790d; 31 U.S.C. 3717.

2. Amend § 741.4 in paragraph (b), by revising the definition of “equity ratio” to read as follows:

§ 741.4 Insurance premium and one percent deposit.

* * * * *

(b) * * *

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Equity ratio means the ratio of:

(i) The amount determined by subtracting –

(A) Direct liabilities of the NCUSIF and contingent liabilities for which no provision for losses has been made from

(B) The sum of all one percent deposits made by federally insured credit unions pursuant to paragraph (c) of this section and the retained earnings balance of the NCUSIF, to

(ii) The aggregate amount of insured shares in all federally insured credit unions.

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